



Appendix F Citizen Participation Plan



District of Columbia

Department of Housing and Community Development

Citizen Participation Plan

For

**The District of Columbia Consolidated Plan for HUD Federal Entitlement Grants,
Plan Amendments and Performance Reports**

Amended, February 2007

**Adrian M. Fenty, Mayor
Government of the District of Columbia**

**Neil O. Albert
Deputy Mayor for Planning and Economic Development**

**Victor L. Selman, Interim Director
Department of Housing and Community Development
801 North Capitol Street, NE
Washington, DC 20002
(202) 442-7200**



District of Columbia
Department of Housing and Community Development

Citizen Participation Plan
For
The Consolidated Plan, Annual Action Plans,
Substantial Plan Amendments
and
Performance Reports

Background

The Community Development Block Grant program is authorized under Title I of the Housing and Community Development Act of 1974. The primary objective of this Act is the development of viable urban communities. The District of Columbia has been a participant in the federal Community Development Block Grant (CDBG) program since its inception. A Citizen Participation Plan is part of the Consolidated Planning requirements contained in 24 CFR 91.

In 1994, federal regulations were revised to require the consolidated submission of plans and applications for three other programs in addition to the CDBG plan and application. The following four entitlement grant programs of the U.S. Department of Housing and Urban Development (HUD) were consolidated into a single planning and application process:

- ❑ **Community Development Block Grant Program (CDBG)**
- ❑ **HOME Investment Partnerships Program (HOME)**
- ❑ **Emergency Shelter Grants Program (ESG)**
- ❑ **Housing Opportunities for Persons with AIDS Program (HOPWA)**

The Citizen Participation Plan Requirement

The associated revised regulations stipulate that participating jurisdictions must develop and implement Citizen Participation Plans that specify how citizens can provide input to the planning and implementation process.

This document constitutes the Citizen Participation Plan for the District of Columbia's Consolidated Plan. It was prepared by the Department of Housing and Community Development (DHCD), the District's grantee agency for administration of the Consolidated Plan.

DHCD's Citizen Participation Plan (CPP) describes how citizens will participate in three programmatic areas:

1. Development of the Consolidated Plan,
2. Substantial amendments made to the Consolidated Plan, and
3. Development of the annual performance report.

The plan is designed to especially encourage participation by low- and moderate-income persons, minority and non-English speaking persons, residents of public and assisted housing developments, and, in particular, persons living in areas where the federal grant funds are proposed to be used. In addition, the CPP requires DHCD to minimize displacement and inform citizens of available assistance with relocation for all federally-funded projects. DHCD includes relocation requirements compliant with the Uniform Relocation Act (URA) in its guidelines to prospective developers during the development funding process. These guidelines are also available to the public and other government agencies. Participating jurisdictions are required to follow their Citizen Participation Plans after adoption.

Plan Development Process:

The District's Consolidated Plan process begins with DHCD's preparation of the Citizen Participation Plan (CPP), which describes the Plan Development Process. The CPP informs the public about processes and procedures for public access and influence on the Consolidated Plan and Annual Action Plans, and the proposed scheduling for development and submission of the plan. Copies of the CPP are made available at least 2 weeks prior to the first public hearing at public libraries, all Advisory Neighborhood Commission offices, selected community based organization offices, at DHCD offices and on DHCD's website: www.dhcd.dc.gov. The CPP is also made available during the review of the Consolidated Plan.

The CPP includes a vigorous effort to notify the District of Columbia Housing Authority and other government agencies as well as the affected public about the Plan Development Process and to provide ample opportunity for citizen input at all stages. In the course of developing the Consolidated Plan, there are at least three public hearings held (two by DHCD and one by the Council of the District of Columbia), and there are two 30-day, open comment periods during the drafting stages before the document is finalized and submitted to HUD. The Consolidated Plan development process consists of the following steps:

- ❑ Preparing and issuing the Citizen Participation Plan with Notice of the "Needs Assessment" Public Hearings,
- ❑ Conducting a series of "Needs Assessment" Public Hearings early in the fiscal year to develop public priorities and receive feedback on prior year performance,
- ❑ Preparing and issuing a draft proposed Five-Year Plan (if a new 5-Year Plan must be developed), or a draft proposed Action Plan for the current fiscal year,
- ❑ Conducting (at a different point in the program year) a "Budget" Public Hearing on the draft proposed Consolidated Plan and its proposed budget,
- ❑ Submitting the final proposed Consolidated Plan to the Mayor for approval and transmittal to the Council of the District of Columbia,
- ❑ Conducting a Public Hearing on the proposed Consolidated Plan by the Council's Committee on Housing and Urban Affairs,
- ❑ Voting an Approval Resolution on the proposed Consolidated Plan by the full City Council,
- ❑ Finalizing the Consolidated Annual Action Plan, and
- ❑ Submitting the Consolidated Annual Action Plan to HUD prior to the August 15th annual deadline.



PLAN DEVELOPMENT SCHEDULE*

EVENT	DATE
Issuance of Citizen Participation Plan with Notice of “Needs” Hearings	October
DHCD Public Hearings on “Housing and Community Development Needs in the District of Columbia”	November
Publication of proposed Action Plan	February
DHCD Public Hearing on proposed Action Plan & Budget	March
Mayor’s submission of proposed FY 2004 Action Plan to the Council of the District of Columbia	April
Council committee public hearing on proposed Action Plan	April-May
DHCD finalization of Action Plan	May-June
Council Action Plan approval resolution adopted	July
Submission of Action Plan application to HUD	Mid-August
Grant funds become available for start of new Fiscal Year.	October 1

*Specific dates and locations are provided in published Notices, through direct mailings, in publicly-accessible locations and on the DHCD web-site.

Public Access and Accommodation

DHCD facilitates broad-based participation in its planning process by providing:

- ❑ No less than two-week advance publication of a Notice of Public Hearings,
- ❑ No less than 30 days to review the draft documents,
- ❑ Two-week periods following hearings for the submission of additional comments,
- ❑ Direct mailings of Notices to a wide range of interested groups,
- ❑ Easy access to draft documents (hard copies and on-line) and hearing transcripts,
- ❑ Accommodation of special needs participation through sign-language interpreters and interpreters for Spanish-speaking constituents, and
- ❑ Holding hearings at convenient times and in barrier-free facilities that are easily accessible by public transportation.

The Director and senior DHCD staff members are present at public hearings to take the direct testimony, answer questions on the District’s housing and community development needs, and receive comments on DHCD’s program performance for prior periods as well as for the current year. The submission of written testimony for the record is encouraged, and Public Hearing records are kept open for at least 2 weeks after the hearing for the receipt of post-hearing written testimony. A court reporter provides written transcripts within 2 weeks of the date of the Public Hearing, and a record of the Public Hearing, including the written transcript, is made available for public viewing at DHCD. When preparing the final Consolidated Plan, DHCD will include a summary of the comments and views received from citizens orally and in writing at the Public Hearing, as well as a response to any comments not accepted.

Moreover, DHCD will provide citizens, public agencies and other interested parties with reasonable and timely access to information and records relating to the District's Consolidated Plan and its use of assistance under the programs covered under the Consolidated Plan during the preceding five years. Requests may be made to the DHCD Public Information Specialist at (202) 442-7200.

Hearing Notification

DHCD promotes attendance at the hearings, particularly for low- and moderate-income citizens and citizen groups located in blighted areas of the city in which DHCD entitlement grant program funds are directed. The Public Hearings are announced through the publication of a Public Hearing Notice, containing the date, time, location, and subject matter of the Public Hearing.

Advertisement of the Public Notice is placed at least 2 weeks prior to the hearings in the D.C. Register, and in various media outlets that reach different population and interest groups. These media outlets include a daily newspaper in general circulation (such as The Washington Post) and other publications that reach different language groups, neighborhoods, minority populations and other special interest populations. (Examples in 2006 of such publications would include: the Afro-American, El Tiempo and The Blade.) No fewer than 500 copies of the Public Hearing Notices are distributed by direct mail to various constituent groups and individuals, including all Advisory Neighborhood Commissions, public housing resident councils, civic associations, nonprofit developers, organizations supporting special needs populations, church groups, and community based organizations. Additionally, DHCD has contractual relationships with specific community based organizations (CBOs) that have a responsibility to distribute information regarding DHCD's entitlement grant programs and to review the information with citizens.

“Needs Assessment” Public Hearing

In the first quarter of each fiscal year, DHCD conducts a series of public hearings on “Housing and Community Development Needs in the District of Columbia.” Testimony is solicited from the public on a variety of issues, including community development, commercial revitalization, job creation through DHCD-funded projects, home ownership, housing rehabilitation, housing production, fair housing, lead paint hazards, and displacement issues resulting from DHCD development activities. Citizens are also invited to express their views on DHCD's administration of the Consolidated Plan entitlement grant programs and its performance in achieving the Consolidated Plan's goals and objectives as stated in the annual performance report, the Consolidated Annual Performance and Evaluation Report (CAPER).

Draft Proposed Consolidated Plan

After conducting the “Needs Assessment” hearings, DHCD prepares a draft Consolidated Plan for the upcoming Fiscal Year.

The draft Consolidated Plan includes estimated federal entitlement grant amounts, community development objectives, projected budgets and performance measures for implementing programs, a description of the processes DHCD utilizes to receive proposals for funding, certification of the District's plan to minimize displacement and assist in relocation in compliance with the federal and local regulations, and descriptions of other proposed District housing and/or community

development activities. DHCD also includes estimates of appropriated, local funds, and the Housing Production Trust Fund (HPTF) in its draft document to provide the public with a complete picture of its potential sources and uses of funds. In preparing the draft Consolidated Plan, DHCD considers all statements, testimony, and proposals regarding expenditure of federal entitlement grant funds that have been provided up to that point in the development process. A summary of the comments from the public at the Needs Hearings are included in the Draft Consolidated Plan along with a discussion of any comments not incorporated into the Plan. The public is given 30 days to provide written comments on the Plan to DHCD.

“Budget” Public Hearing

DHCD conducts a “Budget” Public Hearing on the proposed Consolidated Plan when the District’s budget process has clarified local funding, usually in the months of March-April of a given fiscal year. Copies of the draft proposed Consolidated Plan are made available no less than two weeks prior to the “Budget” Public Hearing in accordance with the Notification and outreach processes outlined previously in this CPP. At the “Budget” Public Hearing, citizens are given the opportunity to present oral and written testimony on the programmatic and budgetary provisions of the published draft proposed Consolidated Plan. Senior DHCD staff responds to comments and make referrals as needed. There is a court reporter present and a transcript of the proceedings is prepared and made available at DHCD. All public and special needs’ access provisions cited for the “Needs Assessment” hearing apply equally to the “Budget” Public Hearing. The submission of written testimony for the record is encouraged, and the Public Hearing record is kept open for at least 2 weeks after the hearing for the receipt of post-hearing written testimony. The total comment period on the draft proposed Consolidated Plan at this phase is no less than 30 days.

City Council Review of Consolidated Plan

After conducting the “Budget” Public Hearing, DHCD incorporates into a proposed final Consolidated Plan for the upcoming fiscal year any revisions resulting from testimony received at or subsequent to the Budget Hearing, as well as a summary of the testimony received. The proposed final Consolidated Plan and an Approval Resolution are transmitted by the Mayor to the Council of the District of Columbia, where they are referred to the Committee on Housing and Urban Affairs

The Council Committee schedules a public hearing on the proposed final Consolidated Plan. DHCD circulates the Notice of the Council Public Hearing to its stakeholders no less than two weeks prior to the hearing to encourage additional comments. Following its hearing, the Committee votes on the Consolidated Plan and may propose amendments, if any, for consideration of the full Council. Once the Council passes an Approval Resolution, it is incorporated as an appendix to the Consolidated Plan.

Submitting the Consolidated Plan to HUD

After approval of the proposed Consolidated Plan by the Council, any final adjustments mandated by the Council are made. Hard copies of the approved final Consolidated Action Plan, incorporating the Council’s Approval Resolution, are provided to Council and the Mayor prior to DHCD’s submission of the Plan to the Department of Housing and Urban Development’s (HUD)

Washington Field Office by the August 15th deadline. Copies of the approved plan are distributed to stakeholders.

Technical Assistance

The Department makes federal and local funds available for new and rehabilitated housing proposals and community-development projects and services through a public Notice of Funding (NOFA). DHCD's Development Finance Division (DFD) issues a Request for Proposals (RFP) for development proposals serving low-moderate-income residents, and the Residential and Community Services Division (RCS) issues a Request for Applications (RFA) for neighborhood-based services. Both Divisions can provide technical assistance to organizations that request it.

During the RFP process for development proposals, the Development Finance Division (DFD) conducts a Pre-Proposal Conference and at least two community outreach meetings to give organizations opportunities to ask questions and obtain assistance in preparing RFP project submissions. In addition, DFD maintains an RFP telephone hotline and an RFP e-mail address to allow organizations to continue to ask questions and receive assistance on an ongoing basis throughout the RFP process. The RFP requires that development proposals for existing and occupied buildings minimize displacement and provide a strategy and funding to meet temporary or permanent relocation needs in compliance with the types and levels of assistance in the URA (for federally-funded projects) or in Title 10 of the DC Code (for HPTF-funded projects).

During the RFA process for funding neighborhood services activities, the Residential and Community Services Division (RCS) conducts a Pre-Application Conference, usually within the first two weeks of the application cycle. At the Conference, RCS staff members provide a walk-thru of the entire application process, and also answer any specific questions from prospective applicants. RCS keeps a record of all those who receive the RFA throughout the application cycle, in order that any amendments to the application process can be quickly communicated to all potential applicants.

DHCD also supports direct technical assistance for low-and-moderate-income residents and groups through neighborhood-based housing counseling agencies and community development organizations. The purpose of the assistance is to make DHCD programs and funds accessible to low-moderate-income residents.

These services include:

- ❑ Assisting renters to understand their options under the "first right to purchase" program when a building is being sold so they can access seed loans and rehabilitation loans to exercise their rights to purchase their units;
- ❑ Providing program intake and technical assistance for applicants for first-time home owner loans, including assistance to organize financial and other required program documentation;
- ❑ Assisting tenants in expiring Section 8 properties to understand their rights and to offer relocation assistance as needed;
- ❑ Assisting new home owners to remain owners by assistance in home management, budgeting, credit, and mortgage payments; and



- ❑ Assisting small, neighborhood-serving businesses with technical assistance in areas such as: business start-up, maintaining an existing business, or improving the business and its environment.

Substantial Amendments to the Consolidated Plan

The federal Consolidated Plan regulations require the inclusion of specific criteria in the Citizen Participation Plan for determining what constitutes a change in programmatic activity significant enough to be classified as a “Substantial Amendment” to the Consolidated Plan. A change in federal rules or regulations that mandates an alteration in current programmatic operations would not be considered a substantive amendment, but rather a conforming regulatory requirement. Changes deemed “Substantial Amendments” must be subjected to citizen review and comment before implementation.

The following criteria are used to determine whether a programmatic change constitutes a Substantial Amendment to the Consolidated Plan:

- ❑ A change that results in a major alteration of the purpose, location, or beneficiaries of a DHCD operational program; or
- ❑ A change in the allocation of the distribution of program funds greater than 25 percent of the federal entitlement grants included in DHCD’s fiscal year budget (CDBG, HOME, and ESG).

District law (D.C. Code § 5-902) requires that DHCD “provide citizens a full and meaningful opportunity to participate in the planning, development and evaluation of the annual Community Development Program and any amendments or modifications thereto.” (Emphasis added.) District law further requires that the public must be notified of a Substantial Amendment, and at least two public hearings must be held to obtain the views of citizens on the proposed change.

The procedures cited for notice and access during the Consolidated Plan development process are applied in the case of any Substantial Amendment to the Plan.

Notice of a Proposed Substantial Amendment, including a description of the nature and the actual language of the amendment, is published in the D.C Register and in various citywide media sources, including, but not limited to, a daily newspaper in general circulation (such as The Washington Post) and other publications that reach different language groups, neighborhoods, minority populations and other special interest populations. (Examples in 2006 of such publications would include: the Afro-American, El Tiempo and The Blade.) A solicitation of public comment, including information on the two public hearings that will be held, is included in the notice. A period of not less than 30 days is allowed to receive responses from the public on a proposed Substantial Amendment. A period of at least 2 weeks notice is given for the two public hearings.

The proposed final Consolidated Plan Substantial Amendment (incorporating any revisions or discussions resulting from the public comment process), along with an Approval Resolution are transmitted by the Mayor to the Council of the District of Columbia, where they will be referred to the Committee on Housing and Urban Affairs. The Committee will hold a public hearing on the proposed Consolidated Plan amendment. The Committee will vote on the Consolidated Plan



amendment and propose amendments, if any, for consideration of the full Council. Once the Council enacts the Approval Resolution, the amendment to the Consolidated Plan becomes officially adopted.

Minor Amendments:

District law (D.C. Code § 5-902) allows DHCD to make “minor” amendments to the Consolidated Plan. A minor amendment is an amendment that is of less magnitude than a “substantial” amendment, but of greater significance than a “technical” amendment, which can be undertaken at the discretion of the agency.

A minor amendment would NOT result in:

- ❑ A major alteration of the purpose, location, or beneficiaries of a DHCD operational program; or
- ❑ A change in the allocation of the distribution of program funds greater than 25 percent of the federal entitlement grants included in DHCD’s fiscal year budget (CDBG, HOME, and ESG).

A minor amendment to the Consolidated Plan, consistent with the intent of the approved program, must be submitted by the Mayor to the City Council for approval. The minor amendment is deemed approved if either the Council does not disapprove the amendment within 30 days (not including Saturdays, Sundays, legal holidays, or days that pass during a Council recess) or the Council affirmatively approves the amendment within the 30 day period.

Annual Performance Report (CAPER)

Within 90 days after the close of DHCD’s Fiscal Year (September 30th), HUD regulations require the Department to submit a performance report, the Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER provides HUD with necessary information to assess whether DHCD carried out its programs in compliance with applicable regulations and requirements, and as stated in that year’s Consolidated Plan. The CAPER also provides a vehicle for DHCD to describe its program achievements to District citizens.

At least 2 weeks prior to submission to HUD, the CAPER is made available to the public for review and comment, following the Notice and distribution procedures cited earlier. Notice of the availability of the CAPER for comment and review is published in the D.C. Register and in a daily newspaper in general circulation (such as The Washington Post) and other publications that reach different language groups, neighborhoods, minority populations and other special interest populations. (Examples in 2006 of such publications would include: the Afro-American, El Tiempo and The Blade.) No less than a 15-day review period is provided for the draft CAPER. DHCD also accepts comments on the prior-year’s performance at the annual Consolidated Action Plan “Needs Assessments” Hearings.

The final CAPER is submitted to HUD by December 31st, with an addendum that summarizes any public comments received and the agency’s response to the public comments in adopting its final CAPER report. Copies of the report submitted to HUD are made available by DHCD for review by the public upon request.

Complaints and Grievances

DHCD will provide written responses to written complaints and grievances received regarding any aspect of the annual Consolidated Plan federal entitlement grant program within 15 working days, where practicable, of receiving the complaint or grievance.

Comments, complaints, and grievances concerning the Consolidated Plan should be addressed to the Director, Department of Housing and Community Development, 801 North Capitol Street, NE, 8th Floor, Washington, DC 20002, to the attention of the Public Information Specialist.

Amendment of the Citizen Participation Plan

Notice of a proposed amendment to the Citizen Participation Plan (CPP), including a description of the nature, as well as the actual language, of the proposed amendment, is published in the D.C. Register and in a daily newspaper in general circulation (such as The Washington Post) and other publications that reach different language groups, neighborhoods, minority populations and other special interest populations. (Examples in 2006 of such publications would include: the Afro-American, El Tiempo and The Blade.) A solicitation of public comment is included in the Notice, and a period of not less than 30 days is allowed to receive responses from the public on a proposed amendment before such amendment is implemented by DHCD. The final Citizen Participation Plan amendment, as adopted by DHCD after due consideration of public comments, is published in the D.C. Register. The D.C. Register notice will also provide an addendum that summarizes the public comments received and the agency's response to the thrust of the public comments in adopting its final amendment. The final Citizen Participation Plan amendment will be deemed adopted upon publication in the D.C. Register.



Appendix G Public Notice

GOVERNMENT OF THE DISTRICT OF COLUMBIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

**Notice of Public Hearing
on the
“Draft Fiscal Year 2008 Consolidated Annual Action Plan for the District of Columbia”
Wednesday, March 14, 2007
6:30 p.m.**

**Department of Housing and Community Development
801 North Capitol Street, N.E., 9th Floor Board Room
Washington, D.C. 20002**

The Department of Housing and Community Development (Department), announces a Public Hearing on the “Draft Fiscal Year 2008 Consolidated Annual Action Plan for the District of Columbia” (“the Plan”). The hearing will begin at 6:30 p.m., on Wednesday, March 14, 2007, at 801 North Capitol Street, N.E., Washington, D.C., 9th Floor Board Room. The purpose of the hearing is to provide the public with an opportunity to express its views on the Plan and budgets to be submitted to the U.S. Department of Housing and Urban Development (HUD) for the following federal entitlement programs:

- **Community Development Block Grant Program**
- **HOME Investment Partnerships Program**
- **Emergency Shelter Grant Program**
- **Housing Opportunities for Persons with AIDS Program (HOPWA)**

The Department will utilize this input from the public, consistent with the District’s economic development strategy, citywide strategic plan, and identified strategic target areas, to finalize the Plan for submission to the Council of the District of Columbia and HUD. Also available is DHCD’s **Citizen Participation Plan (CPP) for FY2008**. The CPP outlines the Department’s processes for ensuring that residents are a part of the planning process in the development of the Annual Action Plan.

Both documents will be available for review after Friday, February 9, 2007, at the Department (8th Floor), all public library branches, Advisory Neighborhood Commission offices, and the following community-based organizations:

Housing Counseling Services, Inc. 2410 17th Street, NW Suite 100 (202) 667-7006	Lydia’s House 3939 South Capitol St., SW (202) 373-1050	Central American Resources Center 1460 Columbia Road, NW (202) 328-9799	Latino Economic Dev. Corp 2316 18th Street, NW. (202) 588-5102
University Legal Services 220 I Street, NE, Suite 130 (202) 547-4747	University Legal Services 3220 Pennsylvania Avenue, SE, Suite 4 (202) 645-7175	Marshall Heights CDO 3939 Benning Road, NE 2nd Floor (202) 396-1200	

If you wish to present oral testimony, contact **Mrs. Pamela Hillsman-Johnson**, Community Development Resource Specialist, at (202) 442-7250, or by email at DHCEVENTS@DC.GOV, not later than close of business Friday, March 2, 2007. Please provide your name, address, telephone number, and organizational affiliation, if any. For Telecommunications Device for the Deaf (TDD) relay service, call (800) 201-7165. A sign language interpreter and Spanish translation services will be provided. Written statements may be submitted for the record at the hearing or until close of business, Friday, March 23, 2007. Written statements may be mailed to: Mr. Victor L. Selman, Interim Director, Department of Housing and Community Development, Attention: Office of Strategy and Communications, 801 North Capitol Street, NE, Washington, D.C. 20002.



Adrian M. Fenty, Mayor
Neil O. Albert, Deputy Mayor for Planning and Economic Development
Victor L. Selman, Interim Director, Department of Housing and Community Development
www.dhcd.dc.gov





Appendix H Summary of Public Comments

Public "NEEDS" Hearing for the FY2008 Consolidated Annual Action Plan for the District of Columbia

**TUESDAY, OCTOBER 31, 2006
12:30 p.m.**

(All public hearings began with a description of the Department's mission, funding sources, goals, and objectives.)

Mr. Victor Selman, interim director for the Department of Housing and Community Development (DHCD) opened the hearing by thanking the audience for taking time from their busy schedules to come out and participate in this hearing process. Mr. Selman introduced DHCD senior managers that were present:

- ❑ Mr. Robert Mulderig, Deputy Director, Residential and Community Services Division
- ❑ Mr. James Thackaberry, Acting Deputy Director, Development and Finance Division
- ❑ Ms. Vanessa Akins, Deputy Director, Office of Strategy and Communications
- ❑ Mr. Robert Trent, DHCD's Chief of Staff

Mr. Selman explained to the audience that these public hearings are held to afford District residents the opportunity to voice their recommendations and concerns regarding the District's housing and community priorities for fiscal year (FY) 2008; and to receive comments on the agency's performance for FY2006, which ended September 30, 2006. The feedback received at these hearings will help the Department in the development of the District's *Draft* Consolidated Plan for the District of Columbia Fiscal Year 2008 Annual Action Plan.

DHCD's mission is to act as a catalyst for neighborhood revitalization by strategically leveraging public funds through private and nonprofit partners to preserve, rehabilitate, and promote the development of affordable housing, increase home ownership, and support community and commercial initiatives that benefit low-to-moderate income residents.

The Department receives four entitlement grants from the U.S. Department of Housing and Urban Development (HUD). They include: 1) the Community Development Block Grant (CDBG); the Home Investment Partnerships Program (HOME); the Emergency Shelter Grant (ESG); and the Housing Opportunities for Persons with AIDS (HOPWA). CDBG funds are used for a variety of initiatives, including, but not limited to providing a host of housing development initiatives that help improve our neighborhoods. These funds are also used to provide comprehensive housing counseling services on a variety of topics, including homeownership, credit counseling, and eviction or foreclosure prevention. HOME funds are used most frequently for multi-family housing projects. ESG funds are invested in ways that help prevent homelessness in the District of Columbia, and HOPWA funds are administered by the D.C. Department of Health's HIV/AIDS Administration to help residents that are impacted by this devastating illness.

In addition to our federal resources, the Department receives local funding from the Housing Production Trust Fund (HPTF), which is funded from the District's recordation and transfer taxes generated by home sales. These monies are used for a variety of initiatives to expand the production and preservation of affordable housing in the District. The DHCD is not a market rate investor; however, we will participate in mixed-income community development to help ensure an inclusionary process in a developer's housing strategies.



Ms. America Calderon, Housing Program Manager at the Central American Resource Center (CARECEN)

- ❑ Wards 1 and 4 are undergoing transformations that have resulted in displacement of the immigrant population. The housing is sub-standard and property owners are disinterested in making repairs in the hope that tenants will move out and the buildings converted to luxury condominiums.
- ❑ Most immigrants to the District are low-to-moderate income families and cannot afford to purchase the high-priced units, especially when they lack health insurance, do not speak or understand the language, and do not know where or how to seek help.
- ❑ Urges DHCD to consider the limitations of the Latino population and to plan accordingly.

Nancy Liebermann, president of Cornerstone

- ❑ Cornerstone’s mission is to finance housing for people recovering from mental illness that is safe, affordable, and dignified. It is the only special needs housing intermediary in the District and they work directly with DHCD and the Department of Mental Health.
- ❑ Cornerstone supports the Housing Production Trust Fund; however, additional grant dollars are needed to enable organizations to use their rental income to cover operating costs. It would also be helpful if the funds were grant dollars as opposed to recoverable loans.
- ❑ Ms. Liebermann presented a “laundry list” of issues that are especially important for special needs housing: 1) rental subsidies for low-income District residents; 2) additional supportive services for persons with special needs; and 3) better coordination of services between District agencies. Some type of database is needed to track the availability and use of accessible housing. Extra dollars are used to create housing for individuals with physical disabilities, but more and more often, people with physical disabilities do not use that housing, which is a disservice to everyone.

Gail Chow, Executive Director, Green Door

- ❑ The District’s Consolidated Plan clearly identifies housing needs, strategies, and priorities for affordable, permanent housing and service for extremely low-income households. Profiles of these households indicate that a sizeable number of people with disabilities can live independently in the community with affordable housing and accessible and available support services.
- ❑ Green Door urged DHCD to play a major role in creating many of the 6,000 units of affordable housing proposed in the “Homeless No More” strategy using not only HPTF dollars, but also rental subsidies. DHCD should coordinate with other District agencies to formulate strategies to accomplish this effort and to finance affordable housing development, as well as, operating costs and the necessary support services.

DHCD’s Response:

The Department has enjoyed a mutually beneficial relationship with Green Door and the excellent gains it has achieved in responding to the needs of individuals coping with mental illness. The DHCD will aggressively seek innovative initiatives to help increase the District’s affordable housing stock.

Ms. Patricia Wudel, Executive Director of Joseph’s Housing

- ❑ Joseph’s House is a residence community founded in 1990 in response to the AIDS epidemic toll amongst poor, homeless African American men—many with active addictions and mental illness. Ninety percent of their admissions are directly from hospitals for end-of-life care and most of the clients have no other living arrangement upon completion of the course of their treatment—they lived on the street, in temporary shelters, or were incarcerated prior to hospitalization. Over ninety percent of Joseph’s House residents are African American; Latinos, Caucasians, and Asians make up the rest. In June 2005, the organization opened its doors to women dying of end stage HIV disease. Hospitals began asking if the organization would except someone who was homeless, possibly undocumented, uninsured, and dying of cancer, not AIDS
- ❑ The facility is very small—a capacity for nine, maybe ten residents at a time. During the fiscal year, Joseph’s House served 44 persons (13 with cancer and 31 with end stage HIV disease). Cornerstone, a six-bed transitional facility, was opened in August 2006 for those who recover their health sufficiently to leave Joseph’s House, but still require continuing support to remain clean and sober, and ongoing medical case management to help them manage their HIV disease. The complex needs of Joseph’s House residents, at the end of their life are physical, mental, social, emotional, and spiritual. Very few groups or institutions are able, or even



want to tackle the range of human needs that their residents embody. Without Joseph's House, the men and woman who go around the revolving door nearly always die alone in the chaos of the emergency room or the indifference of the streets.

Mr. Robert Coward, Executive Director of Direct Action; Chairman of Capitol Area ADAPT

- ❑ The lack of adequately accessible, affordable, integrated housing forces younger and/or older people with disabilities to remain “warehoused” in nursing homes and other institutions, at much greater expense to tax payers. Yet, many of the city's emergency, temporary, and transitional housing programs exclude individuals with disabilities--especially households with family members that require wheelchair accessibility.
- ❑ DHCD did not spend \$1.4 million in federal HOME funds allocated to the District around the time it was involved with Katrina victims. Mr. Coward's organization had to mainstream HCV (this information was via Mr. Coward's sources). The unused funds could have supplemented tenant-based housing vouchers.

DHCD's Response:

The Department supports Direct Action and Capitol Area ADAPT and is pleased to collaborate with them to promote community integration of individuals and/or family members with disabilities. Mr. Selman indicated that DHCD has not received any information regarding \$1.4 million in unspent HOME funds and thanked Mr. Coward for bringing the matter to DHCD's attention. The agency will certainly investigate this matter.

Mr. Cecil Beverly, Secretary, ACCESS Housing, Veteran's Center, 820 Chesapeake St., SE

- ❑ He has been sober since January 1, 2001, and has been gainfully employed with the Marriot Corporation since November 15, 2002. ACCESS Housing was instrumental in helping him regain control of his life and has assisted many homeless veterans.
- ❑ ACCESS Housing is in the process of expanding its services to female veterans and families and would be extremely grateful for any assistance that DHCD is able to provide.

Mr. Henry Moore, ACCESS Housing

- ❑ ACCESS Housing assists homeless veterans and veterans diagnosed with other medical challenges; it assisted Mr. Moore by providing housing and medical care and was instrumental in helping him regain control of his life.
- ❑ The organization does an excellent job, goes the extra mile for veterans, and is always there to provide help and support.

DHCD's Response:

The Department provided a substantial amount of funding to the Veterans' Center within the past year for expansion and is aware of the positive impact the center has on its clients. It can be very challenging to get the wrap-around services our veterans need to order to regain control of their lives and become productive members in their communities. The DHCD supports the center's initiatives and is committed to helping ensure that the necessary services for our veterans continue. The Department looks forward to its continued working relationship with the Veterans' Center.

Ms. Claudia Thorne, Executive Director, Community Family Life Services (CFLS).

- ❑ CFLS is a 37-year old, nonprofit organization that provides the tools to move beyond poverty and homelessness to permanent self-sufficiency. They serve nearly 250 clients a day, primarily in Wards 6, 7, and 8 and provide short-term crisis assistance and empowerment skills to individuals and families to help modify their long-term lifestyles.
- ❑ Additional focus and funding is needed on preventing homelessness, developing and subsidizing a minimum of 6,000 permanent, supportive, affordable housing, and providing wrap-around, mainstream support services fully coordinated with the Continuum of Care programs and special needs housing. CFLS is concerned about the impact on clients if HUD phases out funding for supportive services.

Mr. Eric Sheptock, member, Committee to Save Franklin Shelter.



- ❑ The Franklin Shelter was allowed to deteriorate because it was scheduled to be sold to Western Development, who would then convert the building to a high-end hotel. However, the Committee was able to prevent the sale and thanked all of the parties that helped them to attain their goal. Two representatives from Senator Barack Obama's office recently visited the shelter and Mayor-elect Fenty has indicated he supports repairs to shelter and the need for better support services. Several public and private organizations are assisting them.
- ❑ A process to identify, segregate, and provide treatment for homeless individuals suffering with mental illness is needed; shelters in the District are not equipped to handle mental health issues.

Mr. Ralph Black, Co-Chairman of the Housing Committee of the Brian White Title 1 Planning Counsel.

- ❑ His committee has received numerous complaints from persons living with AIDS who are having difficulty accessing HOPWA and getting information on eligibility criteria. With the exception of the Gatekeepers Program many case managers throughout the District are unable to direct clients on how to access the program. Clients should be able to transition into a permanent situation within a specific timeframe. If HOPWA is discontinued, when and how will clients be able to transition into more permanent arrangements?
- ❑ DHCD's home ownership programs provide good opportunities to purchase a home and the committee hopes that the Department continues these programs; however, for many individuals, the practicality of purchasing a home, on a fixed-income, is non-existent. It is essential that the District help create more permanent, affordable housing, especially for residents with special needs.
- ❑ Widespread community outreach is desperately needed to ensure that individuals are aware of, and have access to information regarding HOPWA. Many property owners are willing to participate in providing special needs housing; however, they are unable to get information when RFAs will be released, on provider training, etc.

Minister Marcellus Hatsfield, Director, Shallow Deaf and Hard of Hearing Outreach Center.

Housing is available for residents with HIV/AIDS, the homeless, and the disabled; however, there does not appear to be any projects or programs for the homeless that are hearing-impaired. Information is available on how to access housing for individuals or families with HIV/AIDS and disabilities; however, information is not readily available on how to access housing for the hearing-impaired who are also homeless. Desires to work with DHCD to create and implement a plan to address this need.

DHCD's Response:

The Department agrees that this is a serious issue and it falls under the purview of the Department of Human Services (DHS); however, DHCD is prepared to intervene. Ms. Akins told Min. Hatsfield that she would be happy to assist him in reaching the appropriate District government contact.

(Whereupon, the above entitled matter was concluded at 1:49 p.m.)

**Thursday, November 2, 2006
6:30 P.M.**

ANC Commissioner Marshall Phillips, Edgewood Community Vice-Chair, 5C; founder and director of the Edgewood Youth Development Center.

- ❑ Voiced concern regarding the number of multi-million dollar housing developments under constructed or completed in the District with no provisions for low- and moderate-income applicants. The construction of new and/or rehabilitated housing in the city must be balanced to ensure that everyone is able to take advantage of the economic growth that high-end housing produces. If not, the "working poor" may also become homeless and create additional financial burden for the District.
- ❑ A mandatory requirement of set-aside units for low- and moderate-income residents, in new or rehabilitated housing, needs to be implemented.

DHCD's Response:



All projects funded by DHCD related to the creation or rehabilitation of housing requires developer to provide affordability that meets the needs of individuals between zero and 80 percent of the Area Median Income (AMI). The Department does not provide funding for market rate housing.

Kwami Robert Brown (organization unidentified).

- ❑ Concerned regarding the absence of “substance abuse” as a special needs population. Special needs populations diagnosed with multiple medical challenges are left unsupported and consequently, unavailable for any type of housing; affordable or otherwise.
- ❑ DHCD needs to move away from the banking mentality that limits its ability to provide financial assistance to property owners who are willing to make their properties available for supportive, transitional, and/or emergency housing, along with the necessary support services. There is a clear need for the expansion of special needs services.
- ❑ In order to meet the goals of the Inter-Agency Task Force to reduce the number of persons evicted by 25,000, by the year 2010, DHCD needs to review and modify its processes in order to effectively partner with organizations to address addiction and other special needs of District residents.

DHCD’s Response:

Through DHCD’s Request for Proposals (RFP) process, we actively seek projects that will address the housing needs of low-to-moderate income residents, along with the city’s special needs populations. The Department recognizes the housing needs of individuals and families recovering from substance abuse, HIV/AIDS, mental illness, etc., and we diligently work with our sister agencies and other organizations that provide these and other supportive services.

Ronald Hunt; client at RAP Inc.

Mr. Hunt related his personal experience in recovering from addiction and voiced his concern of the need for transitional housing and single room occupancy (SRO) units that are safe and capable of addressing the needs of residents recovering from substance abuse. These types of units are critical to the structure needed by individuals under treatment until they become self-sufficient. The facility should also provide the necessary support services to help ensure the success of those struggling to regain control of their lives.

DHCD’s Response:

The Department recognizes that clients recovering from substance abuse need the safety and security of stable environments that contribute to their well-being and continued recovery. The DHCD has funded and fully supports these types of facilities and will continue to accept and review all proposals with due diligence to ensure that the needs of these residents are addressed.

Patsy Edwards, client with RAP Inc.

Ms. Edwards is currently homeless, but working on regaining control of her life. She is concerned that special needs housing seems to be located in one specific area and grouped along with the homeless and whatever other groups that fall into the special needs category. She, along with others like her, would like to live in other quadrants of the District that are safer and have good schools for their children; not grouped together in the same type of environment that could jeopardize an individual’s recovery.

DHCD’s Response:

Locating and acquiring appropriate facilities for special needs populations is a daunting challenge; many residents are in favor of helping as long as these facilities are not located in their communities. Additional outreach and education is needed to inform the public about substance abuse and to help alleviate the fears associated with the public’s perception of substance abusers. The Department is available to assist DHCD-funded programs and projects with community outreach to help ensure their viability and success.

Ms. Thomasena Foster; District resident, client of RAP, Inc.



- ❑ Transitional housing is viewed as housing for the homeless; however, it could also address the ongoing needs (mental health care, medications, therapeutic counseling, etc.) of individuals recovering from substance abuse. Transitional housing would also provide the opportunity for residents to regain financial stability to help them become self-sufficient—which is especially true for women, and women with children.
- ❑ DHCD is encouraged to expand its funding for the creation of transitional housing.

DHCD's Response:

As previously stated, DHCD has funded and fully supports the need for transitional housing. The District is committed to assisting these types of facilities that help clients recovering from substance abuse and taking back control of the lives. Again, DHCD's RFP process is an excellent vehicle for developers and nonprofit organizations to use in seeking financial assistance to bring transitional housing projects to fruition.

Earnest Winston, client of RAP Inc.

- ❑ Addressed the challenge of finding affordable housing and the proposed elimination of the Housing Choice Voucher Program (HCVP - formerly known as Section 8). He has been on the HCVP waiting list almost 7 years. Locating a rental unit is not that difficult; however, the majority of property owners want \$700 or more per month for sub-standard units.
- ❑ Is concerned that the HCVP could be eliminated—if that happens, and the minimum wage does not increase, the District will require considerably more affordable housing units to meet that need.

DHCD's Response:

As stated previously, the District is preparing to implement its own locally funded rental assistance program during the coming calendar year. The proposed program title is the "Rental Assistance Program." The program was recently enacted into law by the City Council and there is a congressional review period. The program will be funded from locally generated tax revenue; however, Congress has budget oversight for the District. Although no federal funds will be used, Congress still gets to render their opinion on the District's budget. The District of Columbia Housing Authority (DCHA) will issue draft regulations for review and comment shortly. When that process is completed, the new regulations will be approved and implemented. The program will closely parallel the Housing Choice Voucher Program (formerly known as Section 8), which the DCHA also administers.

Thomas Oliver, resident, Ward 4.

- ❑ During the Williams administration, the widespread opinion appeared to be that building luxury apartments would the District "grow and go." Rentals will continue to spiral out of control, forcing those already at the bottom of the housing market even further down. Without affordable housing, there is no stability, and without stability, individuals and families cannot function properly.
- ❑ Focus should be on helping residents to become self-sufficient by providing the necessary resources—teach them to use a computer to research housing and employment opportunities instead of providing a list of everything for them. Many residents are capable of doing for themselves if given the opportunity.
- ❑ Creative philosophy and strategies, oversight, and follow-up related to affordable housing need to be devised and implemented. This begins with the leadership—from local community organizations to District government officials who need to aggressively market tax incentives to help developers create affordable housing.

DHCD's Response:

That is the reason it is very important for residents to attend and testify at public hearings and meetings held by the Office of Zoning, the City Council and other agencies and organizations related to inclusionary zoning. It is very important to ensure that decision-makers are aware of and take residents' views, recommendations, and suggestions into account regarding this matter.

Mr. Richard Bailey, director of Finankra, a youth-focused organization.



Finankra, a vendor with the Child and Family Services Administration (CFSA), focuses on at-risk youth between the ages of 13 to 21, who are in the foster care system. Many of these children have been in foster care all of their lives and by the time they reach 12 or 13 years of age, the chance of adoption is very low and at 21 years of age, they leave the foster care system. Before that happens, the children go through Finankra's program where school attendance is monitored and they are assisted with employment. Finankra has one, 30-unit building that houses teenage mothers in the foster care system. Many of these mothers have a host of challenges; however, when they reach 21, they are no longer eligible for assistance through CFSA; yet, they are unprepared for the "real" world.

DHCD's Response:

The Department is working on several "Demonstration Initiatives"—the kind of projects that do not normally come through the agency's Request for Proposals (RFP) process. One project we are working on is the Foster Children Initiative, basically, for single mothers leaving the foster care system and in need of alternative housing. Presently, the Department is trying to locate a demonstration site. The results of the program will determine how we will proceed beyond the initial phase.

Mr. Oliver:

- ☐ Is currently in a homeless situation and was directed to contact Councilman Fenty's office for emergency assistance (Mr. Oliver was depressed and living on the street). He called and spoke with Doug Anderson, who said he would address the issue and return Mr. Oliver's call. Mr. Oliver called Mr. Fenty's office on two previous occasions and Mr. Anderson never returned his calls. Does not believe the Fenty administration will realistically address residents' concerns or issues, regardless of election promises.
- ☐ Some nonprofit and/or faith-based organizations should be closely monitored by DHCD to measure the outcome of clients served related to housing counseling and housing assistance—"How are clients assisted during housing counseling?"; "How are they motivated to seek housing on their own?"; etc.

DHCD's Response:

Performance measures are included in the Department's contract with community-based organizations funded by DHCD. Quarterly site visits are conducted and an organization's performance is monitored and measured to ensure compliance with federal and local laws and statutes. Complaints received by DHCD regarding any of its funded organizations are investigated.

Mr. Isaiah Jones, native Washingtonian.

The District must look at other revenue sources besides taxes. Additional incentives may be needed to stimulate developers into creating and/or rehabilitating affordable housing, homeless shelters, or transitional housing rather than just hi-rise luxury apartments and condominiums. Large developers should be required to help stimulate affordable and/or transitional housing to benefit all residents.

DHCD's Response:

The Department encourages residents to attend and testify at public hearings and meetings of the Zoning Commission and other groups on inclusionary zoning because that is the vehicle that will require private developers to "give back" for the privilege of building and selling market rate housing products in the District.

Whereupon, the public hearing was concluded at 7:30 p.m. on November 2, 2006.

NOVEMBER 9, 2006

6:30 p.m.

Mr. Michael Watts, Interim President and Chief Executive Officer of the Marshall Heights Community Development Corporation (MHCDO).

- ☐ MHCDO commended the Department's efforts to increase affordable housing opportunities.



- ❑ They also made the following recommendations:
 1. DHCD should look at ways to further increase affordable housing opportunities for individuals and families, especially those that earn below 50 percent of the area median income;
 2. DCHD needs to improve the length of time and efficiency in disbursing Housing Production Trust Fund (HPTF) dollars through recipient agencies;
 3. Vacant residential and commercial properties under DHCD management should be put to use much quicker than in the past;
 4. DHCD should look at how to expand funding opportunities for existing programs that require continued operation costs and funds to provide life skills training;
 5. DHCD should implement a mortgage rate buyout program that allows potential homeowners to increase their qualifying amount;
 6. DHCD should ensure that capable economic development organizations are better prepared to participate in major developments in their own neighborhoods; and
 7. Additional funding be allocated to assist non-profit developers in leveraging financial resources and development projects occurring in their communities. These funds should include dollars to assist small business owners' transition with neighborhood development rather than face the threat of displacement or closure.

DHCD's Response:

The Department truly appreciates the partnership it has enjoyed with the MHCDO over the years and looks forward to continuing the mutually beneficial working relationship we have fostered. The agency is working to create a low interest mortgage product; however, completion is delayed because the District's budget is still under a "continuing resolution." That means that until Congress and the President approves the fiscal year 2007 budget, agencies can only spend as much as they spent the previous year for the same items—you cannot spend money on "new" items. However, the Department will keep MHCDO informed on the project's status.

Ms. Lynn Brantley, Capitol Area Food Bank

- ❑ During its 26-year history, the Food Bank has distributed close to \$500 million worth of food to communities and DHCD's financial assistance has helped to make a difference. The Food Bank has seen a 39% increase of calls to their Hunger Hotline.
- ❑ The organization feeds 2,000 children each day, including weekends, and distributes 1,500 bags to senior citizens each month.
- ❑ The new facility, once renovations are completed, will increase the amount of food the bank will be able to store and distribute. DHCD's financial support has helped them to leverage nearly \$10 million and they have raised almost \$17.7 million.
- ❑ The original cost of renovation was estimated at \$13 million. However, construction costs have spiraled out of control since Hurricane Katrina; they are now looking at approximately \$24 million in renovation costs and is requesting an additional \$5 million from DHCD to help bridge the gap.

DHCD's Response:

The Department appreciates the outstanding work that the Food Bank has done and is doing across the metropolitan area, and DHCD looks forward to working with the Food Bank as they come into the agency's next funding cycle.

Ms. Michelle Massey, representing The Campaign for Crummel School

- ❑ Crummel School was constructed in 1810 as the first public school for Black children in the Ivy City-Trinidad area and dedicated to the memory of Alexander Crummel, an outstanding figure in Black history who devoted his life to the abolition of slavery and the social uplift of Black people. Crummel School served as a source of strength in the community and brought people together for a common goal. What once had a vibrant appearance is now a cold and dark witness to all manner of social ills and criminal behavior.
- ❑ The District says the cost of renovating the facility is too high; however, a nearby youth detention facility was renovated and serves as a constant reminder to children that, if you "mess up" this is where you end up. It was the District's decision to let this building go to ruin and now, it is the District's responsibility to renovate it and bring life back to Crummel and the Ivy City community. Establishing it as a multi-use community center with job training, recreation, and senior services will be a great step forward.

DHCD's Response:

Once the organization submits a proposal, they will have to come through DHCD's funding process.



Ms. Dorothy Douglas, ANC Commissioner for 7D03.

- ❑ More funding is needed for affordable housing. There are many homeless families and the process of finding suitable and affordable living arrangements should not require a lot of "red tape"—the same process used for Katrina victims relocated to the District should be used now. These individuals and families should not have to go to several locations when they are homeless in order to have a place to live. The District needs to review that process for efficiency. Foster care homes are usually not large enough for foster children to thrive, develop, and grow; it is difficult to develop and grow in a two-bedroom unit, without room for expansion.
- ❑ The District needs to have some type of process or program in place to help alleviate or eliminate all of the red tape people have to go through in order to survive.

Ms. Justina Wilkins, Ward 7 business owner; homeowner; community leader; member, Executive Cmte., MHCDO; chairperson, MHCDO's Youth Development Cmte; District of Columbia and Maryland real estate agent.

- ❑ In reality, when clients complete the homebuying process, affordable housing is unavailable. Rentals are just as bad with the average two-bedroom unit going for at least \$800-\$900 per month, which is out of reach for the average single parent. DHCD may want to look at increasing the maximum HPAP assistance to \$120,000.
- ❑ New Community projects like Lincoln Heights and Barry Farm, and those in other areas of the city are not cost-effective for residents. The housing market is changing, but the prices are not. The renovation of Mayfair Mansion will result in condominiums that will not be affordable to many residents.
- ❑ The D.C. Housing Authority (DCHA) should be more involved; public housing in Ward 7 lacks community social programs that assist its residents with basic needs and DCHA needs to provide adequate funding to address these issues.
- ❑ Adequate drug treatment programs are needed to assist clients trying to regain control of their lives and additional funding at the social, housing, and economic development levels is also needed.

DHCD's Response:

Major changes to the Home Purchase Assistance Program (HPAP) were needed to "level the playing field" to give everyone the same purchasing power. The challenge then becomes how much money to invest in one person or family? If the Department increased the level to \$120,000, it would only be able to serve half as many applicants.

The Department works to create partnerships and invest in affordable housing projects by collaborating with developers, community-based organizations, and other stakeholders to help create more affordable housing for District residents. It is increasingly difficult to meet this challenge, especially given that the District's entitlement grants are decreasing each year. The agency must be ever diligent in where to invest its dwindling funds to ensure maximum return on its investment. The reality is that when you factor in the dollars for developing affordable housing, plus the dollars DHCD distributes so that residents are able to purchase a unit, there is just not enough dollars to go around.

The other challenge is that the District is land-locked; there is very limited land available on which to construct additional housing. The Department is looking for and at creative and innovative ideas and opportunities to rehabilitate existing available properties.

Ms. D. Douglas asked why the city does not ask Congress for additional funding, especially now that Democrats are the majority in Congress?

DHCD's Response:

The U. S. Congress and HUD use a formula that determines the amount of funding the District receives annually, however, each year the District's funding dollars have decreased. Last year, DHCD received approximately \$21 million in CDBG funds—this year, we received \$19 million. Last year the agency received \$11 million in HOME funds—this year we received \$8 million.

Every action helps and when residents come out and voice their concerns, comments, and recommendations, these become a part of the public record, which HUD reviews. The DHCD conducts these hearings to ensure that residents and other stakeholders have ample opportunities to make their priorities a part of the public record.

Ms. Bernadine Williams, member, Executive Board, MHCDO; member, People Development Cmte.



- ❑ Developers constructing houses at East Capitol are selling units for \$100,000 more than originally agreed—from \$250,000 to \$350,000, which automatically eliminates applicants under a certain income. Relocated residents believe that they will be able to return; however, they will not be able to afford the new units. The District needs to look into this matter.
- ❑ Seniors are concerned that they may lose their current homes due to appreciation and increased property taxes, not to mention their costs for medications, utilities, etc.

Questions by Ms. Douglas, chairperson for ANC 7D03:

1. Does DHCD provide loans to purchase single-family houses?
2. Are loan repayments made to HUD?
3. How much time do borrowers have to repay the loan?
4. Does DHCD provide assistance for home renovations?

DHCD's Response:

Under DHCD's home purchase assistance programs, qualified applicants receive financial assistance with down payment and/or closing costs. Funding is a mixture of local and federal dollars. Applicants must be able to secure and repay a first trust mortgage with a private lender. Depending on the financial circumstances of the borrower, DHCD loans are deferred or repaid to DHCD over an extended period of time. Homebuying clubs are usually created by community-based or private, nonprofit organizations to help its members move toward home ownership.

The Department also operates a single-family residential rehabilitation program that provides financial assistance to the owners in bringing their property up to District housing code standards.

Ms. Douglas also inquired about the length of time it takes an HPAP recipient to receive a copy of their note/lien once DHCD has been repaid. She has been waiting for two years and wanted to know why it is taking so long? Mr. Mulderig asked Ms. Douglas to meet with him after the hearing to resolve her issue.

Ms. Denise Stanley, resident, Kenilworth Court.

- ❑ Wants to know if there are any plans for the public housing development at Kenilworth Courts?
- ❑ Also, is there any assistance that DHCD provides that could help this area get access to social programs, etc?

DHCD's Response:

The District of Columbia Housing Authority (DCHA) has jurisdiction over the City's public and assisted housing stock. At this time, the Department has not received a funding request from the DCHA for Kenilworth Courts. However, the agency would be happy to research pending funding requests to determine if DCHA has submitted an application. Ms. Stanley was also advised to contact her local community-based organization for information on what assistance may be available to her community.

Ms. Parisa Norouzi, co-director of Empower D. C.

- ❑ There is a great deal of concern regarding the lack of resources:
 1. Public property in the District is a huge asset and Empower DC is very adamant that those properties not be used to promote any type of private, for profit development, as has been the practice for a number of years.
 2. Many historic schools, especially in Ward 6 and the Capitol Hill area, have converted to luxury condominiums; small parcels of land are used by the *Home Again Initiative* to develop market rate housing. Any type of public land is a form of subsidy and should not be used to promote any type of private development; instead, it should be used to promote truly affordable housing for very low-to-moderate income residents.
 3. The District should do everything possible to ensure that schools scheduled closing be used to benefit that community (i.e., youth centers, family support centers, day care centers, etc.).



- ❑ It is no longer in the best interest of the District to dispose of public property to private developers and the policy that allows this practice needs to be revised.

DHCD's Response:

Issues such as these should be brought to the attention of the School Board, your city council representatives, and officials at the offices of Planning and Zoning. Attend the public meetings and hearings regarding the sale of these properties and make certain that your community needs and concerns are heard and addressed.

Whereupon, the above-entitled matter was concluded at 7:44 p.m.

**November 14, 2006
6:30 p.m.**

Pastor Roy Settles, Ambassador Baptist Church, 1412 Minnesota Avenue, S. E.

- ❑ Expressed his thanks to DHCD for recognizing the challenges of residents east of the River and helping to address those challenges.
- ❑ Ambassador Baptist Church is the only 24-hour food distribution center in the metropolitan region, serving nearly 200 persons every Saturday. The church is only able to do this because of the Capitol Area Food Bank.
- ❑ Hopes that DHCD will be able to allocate additional funding for the Food Bank to continue to help some of the District's most vulnerable residents.

Ms. Yavocca Young, District resident, Ward 8.

- ❑ Ward 8's challenges are unemployment, under-employment, and untraceable income, not affordable housing. While the average citywide rental may be approaching \$2,000 per month, the average market rate rent in Ward 8 is not even approaching \$1,000 per month; and thanks to citywide rent control laws, Ward 8 will be perpetually mired with low-income rental properties. The market rental rate in the Ward hovers around \$700 for a non-subsidized, two-bedroom unit, which means Ward 8 is affordable for families earning just 50 percent of the Area Median Income (AMI).
- ❑ At this time, the average Ward 8 resident costs the city \$12,000 and the federal government \$9,000 annually, in subsidies and services and contributes only about \$500 to the District's tax base. The tax dollars of hard working residents are subsidizing above-market rents in the Ward as investors and Section 8 property owners receive rent payments and offsets from the government that they cannot get from the open market.
- ❑ During the city's "housing boom" of 2005, the average home price in Ward 8 was just \$198,000, compared to \$850,000 and \$868,000 in Wards 2 and 3.
- ❑ Ward 8's pending revitalization will remain unfulfilled as long as the government continues to initiate programs and policies that detract from commercial development. Enough money has been invested in poverty and unless people can come home to communities they are proud of, with goods and services that they want, as their incomes increase, they too, will succumb to the elements and move from area homeowner to investor.

DHCD's Response:

The Department's mission is to act as a catalyst for neighborhood revitalization and in doing so, DHCD must adhere to federal statutes, laws, and regulations that govern its use of federal funds and provide the same opportunity for affordable housing to all District residents, regardless of whether those opportunities are rental or ownership initiatives. DHCD has funded several mixed-income, rental and ownership projects that are very successful. When developers are selected for funding, federal regulations require that a percentage of the total units created must be set aside as affordable. In addition, DHCD does not fund these developments at one hundred percent; developers come in with the bulk of their financing through conventional lenders and sometimes, corporations receive direct federal funding for large projects, exclusive of DHCD's competitive process. Therefore, all instances of large, low-income, multi-family developments is not always funded by DHCD.

While the number of low-income developments may have some influence on the Ward's revitalization, it must be recognized that neighborhoods and communities east of the Anacostia River have been underserved for decades and re-stabilization is not going to happen overnight. Furthermore, total community commitment is necessary to market



neighborhoods to attract the types of goods and services that residents want and need. Residents must also take an active role to oppose any action that will detract from their community's growth and viability, and attend public meetings, especially at the Alcohol and Beverage Control Board and the Office of Zoning, to voice their opposition to actions detrimental to their community's quality of life.

Ms. Pat Jackson, Director of Resident Services for Covenant House Washington.

- ❑ Covenant House Washington works in affiliation and collaboration with Covenant House International. Covenant House Washington has been at the forefront for over ten years, providing housing and advocating for the housing needs of young people ages 18 to 21. Its residential services component responds to emergency and long-term housing needs of young people who are victims of homelessness due to abandonment, neglect, or eviction. In many instances, youths opt to leave due to abuse or, forced out due to overcrowded living conditions.
- ❑ Since 1997, its transitional living program has served more than 125 parenting and non-parenting youth and approximately 210 children. Many of these youth transitioned into the program from Covenant House's 90-day crisis shelter. Fifty-nine of these youths have successfully completed the program and twenty-six youth who left the program have successfully transitioned to independent living the metropolitan area. In 2007, four additional youths will graduate from the transitional living program and enter Covenant's newly developed rental assistance program. Enrollees will participate in a 16-week home ownership program where they will have an opportunity to realize their dream of homeownership.
- ❑ This year, Covenant House Washington has conducted intake for over 200 homeless youth between ages 18 to 21. Forty percent of these youths present with mental health problems; twenty percent are ex-offenders; ten percent age out of foster care; ten percent were gay, lesbian, bisexual, or transgender; eighty percent were unemployed and uneducated, and forty percent were parenting youth. These figures will increase as winter approaches, especially with the large number of youth that will age out of the foster care system and youth correctional facilities.

DHCD's Response:

The Department is well aware of Covenant House's accomplishments and agrees that more needs to be done to address the challenges facing this population. DHCD looks forward to a mutually beneficial working relationship.

Mr. Cardell Shelton, member, Concerned Citizens.

- ❑ Was extremely disappointed that senior DHCD staff were not in attendance; it reflects the unimportance of Ward 8's issues and concerns by the Department.
- ❑ Voiced his displeasure with the lack of any real accomplishments by the Anacostia Economic Development Corporation; spoke of several instances in which AEDC allegedly abused or squandered several million dollars in government funds and has not produced any tangible, long-term, viable accomplishments to show for it. There are 137 small businesses in Southeast Washington; African-Americans own nineteen. Twelve of those nineteen are beauty and barbershops. AEDC received \$185,000 from DHCD for "small business assistance" and economic development in Anacostia consists of one clothing store, two restaurants, four grocery stores, and four convenience stores. Has very serious concerns regarding DHCD's continued funding to AEDC.
- ❑ Mr. Shelton has asked DHCD for assistance to acquire property in the District to establish a construction trade school to teach Ward 8 youths the skills and disciplines of the construction trade; however, the city has not been very receptive. None of his proposals have been selected.

Mr. Khalid Murrani, concerned citizen.

How does DHCD distribute its funds?

DHCD's Response:

The Department is familiar with Mr. Shelton's project to create a job-training center for Ward 8 youths, to provide construction skills and disciplines to enable them to compete for construction opportunities in the Ward and throughout the city. The structural part of the deal may be possible, but DHCD does not provide facilities—we help to finance them. In addition to locating a facility, this project will require the coordination of several District agencies and people to support it. It includes job training, which falls under the Department of Employment Services (DOES). Other support services may be required, which may come under the Departments of Human Services or Health. The



Department of Consumer and Regulatory Affairs would be involved regarding permits, inspections, and code compliances. Public hearings will probably be required, as well as notification to various city officials, and community and civic leaders and organizations that will be impacted by a project of this magnitude in their community. As you can see, more than just property acquisition is involved.

DHCD issues *Request for Proposals* to solicit projects for funding consideration. It is competitive and everyone has the same opportunity. When submitting a proposal for consideration, applicants must follow the requirements of the application package and ensure that all documentation submitted complies with those requirements. DHCD staff is available to provide whatever technical assistance applicants may need and they are encouraged to contact staff for assistance.

Mr. Charles Wilson, concerned citizen.

- ❑ More participants would probably have attended tonight's hearing if the dissemination of information were better coordinated.
- ❑ The types of financing requested this evening—for children, the homeless, the hungry, the lack of quality education, etc.—reflect the needs of a third world country. Outside providers come into the District and receive funding for programs that, more often than not, provides them with high-end offices and salaries. People are still hungry, still homeless, and still uneducated.
- ❑ District of Columbia neighborhoods are not victims of some catastrophe; they are the victims of neglect. DHCD officials lack real knowledge of what is happening in these underserved areas and should participate in community meetings and talk to residents to get a feel for what a community really needs, instead of just funding programs and projects.

DHCD's Response:

The very purpose of these hearings is to get that feedback from the community--the residents that live in these neighborhoods--on their housing and community development priorities.

The Department maintains a database of all programs and projects that it funds, not only for our use, but also for reporting purposes. The agency can document numerous projects it has funded in Wards 7 and 8, that are helping to transform long neglected areas into development showcases that help to spur affordable home ownership opportunities. Some of those projects include Oxon Creek Townhomes, Hillsdale Homes, Monterey Park, and Danbury Station in Ward 8. There is a new ice skating rink in Ward 7, a Tennis and Learning Center, and THEARC, also in Southeast. There are additional projects, programs, or facilities throughout the District that DHCD has helped to fund that many people may not know about and residents are welcome to contact us for information.

The concerns and recommendations from the hearings helps the Department formulate the plan that will guide the spending cycle. The agency recognizes and agrees that residents are very knowledgeable about what projects and/or initiatives their communities need, and DHCD wants to hear about those concerns and challenges that impact on residents' quality of life. The Department encourages everyone to feel free to express their opinions on what their community requires to restore, improve, and/or maintain its viability.

Elder Jimmy Peterson, Jr.

Elder Peterson has been a minister in the District for 30 years and believes that it is more appropriate to provide shelters for people than to build another church. He is trying to acquire a building at 2900 Rhode Island Ave., NE, for use as emergency housing and a rehabilitation program for substance abusers. The building has been vacant for some time and he had been in discussions with the owner; however, she decided to put it on the market for \$1.5 million. The price was reduced to \$1.2 million and Elder Peterson needs direction on how to prepare a proposal to acquire the property to help the District's homeless. He is able to get a license for this purpose and has a charter with St. Peter's Baptist Church, Inc.

DHCD's Response:



Mr. Thackaberry explained that the Department has received, underwritten, and executed contracts on proposals to acquire a building to serve a specific community need and explained DHCD's competitive *Request for Proposals* (RFP) process. The next RFP will be issued in March or April 2007. Prior to that, a "Notice of Funding Availability" will be published in local and various community newspapers immediately before the RFP materials are available for pick-up. The Notice also provides information on the amount of funding available and the types of eligible projects (i.e., community-based programs, construction assistance (bricks and mortar funding), and acquisition assistance for organizations seeking to do affordable housing or community facilities). The Department conducts a series of pre-proposal meetings where interested parties can ask specific questions and there will be phone lines, hotlines, and an e-mail link that applicants can easily access right up to the closing date to get answers to questions.

ANC Commissioner Braxton Jones; Youth Program Manager for East of the River Clergy/Police Community Partnership.

- ☐ Commissioner Jones would like to create entrepreneurial opportunities for young people through legal vending stations on public housing properties and needs help and information on getting this type of venture started.
- ☐ Are there any programs that provide funding for joint home ownership, whereby different individuals can pool their resources to invest in a property?
- ☐ What type of facilities or activities is available for young people not involved in substance abuse?

DHCD's Response:

Mr. Thackaberry recommended Commissioner Jones to contact the D.C. Department of Employment Services (DOES), given that their mission is job creation and job training. He suggested that Commissioner Jones contact Lydia's House, a community-based organization in far SW/SE, funded by DHCD, for information on its home buying club. They also provide comprehensive housing counseling and work one-on-one with applicants to help them achieve homeownership.

The history on leasing interstate sites opens the door to another set of challenges. Recreation sites that are closest to the communities that they serve is the best option and eliminates the additional travel time needed to reach other sites.

With regard to available land for recreational activities, Commissioner Jones was directed to the D.C. Department of Parks and Recreation (DPR). This is a creative, new idea for a monitored recreation program and many of their facilities are located next to federal land maintained by the National Park Service. The DPR may already have some type of collaboration in place with the Park Service.

The Department administers a *Crime Prevention Program*. The location nearest you is the Anacostia Community Outreach Center, a part of the Woodland Tigers organization. Their goal is to expose the youth to other interests and experiences apart from their communities. It was suggested that Commissioner Jones contact that organization to discuss how his plans might fit with the program's goals and objectives.

[Whereupon, the above-entitled hearing adjourned at 8:19 p.m.]

**November 30, 2006
6:30 p.m.**

Dr. Rafael Siguenza, President, 14th Street Business Association

Concerned about business improvement along the corridor and would like to see the entire area upgraded to attract more businesses. This will help to increase job opportunities and individual incomes to foster home ownership. He is also concerned about quality of life issues, especially public drunkenness. The City is doing an excellent great job of keeping the area clean, but merchants and pedestrians throw trash everywhere; additional education is needed about littering and fines must be assessed and enforced.

Parking is also a primary concern. Two-hour meters appear to work, but one-hour meters are definitely too short, especially for restaurant patrons.



Cameras are operational and the Association is working with police regarding the “open air” drug markets; however, the drug dealers just move to another location. The Association has acquired some funding for façade improvements; however, the group would also like to install banners and signage to help depict the area as a wholesome place to do business.

Robert Moore, President, Development Corporation of Columbia Heights

Columbia Heights is in the midst of economic revitalization. It is representative of where the District is heading in the future. The area is culturally diverse in both residents and businesses. However, if the community and different organizations do not make a commitment to enlarge and focus development activities in the near future, that diversity will be lost.

Columbia Heights must focus on continuing to observe affordable housing directly supportive of job training and enlarge small business revitalization assistance. Each of these issues is a catalyst for the other, and they will ultimately influence the neighborhood’s future. The residents and small businesses who call Columbia Heights home are barely able to keep up and often fall behind economically with shrinking housing options. These residents and businesses cannot be forgotten. Local businesses are the driving force in the economy by providing jobs and keeping revenue within the District. As large and national retailers move into Columbia Heights, we must ensure that local businesses are not left out.

Affordable housing should continue to be a high priority. Although affordable units are under construction within the City, there are not enough units available for existing and future households. Low- and moderate-income households are trapped in under-sized units as household size increases. Many properties, some of which receive federal subsidies, are charging as much as \$950 per month and the government pays \$110 per month in subsidies. Ten years ago, these people would be homeowners. New programs must be designed to initiate “move up” home ownership for these tenants.

As the District continues to develop, residents need life and job skills to secure employment and they need funding to provide increased services geared to teaching these skills to help people improve the quality of their lives. Resident-based organizations and the District Government must address the rising housing and economic problems. We must all be able to see results that are crucial to ensuring that Columbia Heights continues to be a place where homes are for all cultural and economic groups.

DHCD's Response:

Mr. Trent thanked Mr. Moore for the excellent work the DCCH is doing in Columbia Heights and looks forward to continuing to collaborate with them as DHCD moves forward in developing its Action Plan for FY2008. Stan Jackson, Deputy Mayor for Planning and Economic Development and DHCD's interim director arrived and gave remarks.

Mr. Jackson expressed his pleasure at being able to receive the community’s input for developing the District’s Annual Action Plan for Fiscal Year 2008. The Department looks forward to the creativity expressed at the hearings as the agency moves forward, notwithstanding the fact that the District’s federal entitlement grants are decreasing each year. However, DHCD has been innovative in creating ways to leverage its federal funds to offset those shortages and reduce the impact of those decreasing dollars. More importantly, it is critical that DHCD hears from the community in order to plan a strategy to inform and educate our entitlement providers to understand that the needs of the District are great. The city needs as much support as it can garner to address some of the current urgent needs and to ensure that we provide opportunities for the least of us to engage in the quality of life experience available in the District.

Mr. Domingo Arias, resident at 2637-16th Street, NW (Testimony presented via an interpreter).

Mr. Arias is 66 years old and lives in one of eleven buildings sold to The Carmel Company. CARCEN explained to the tenants their rights under the District's First Right to Purchase law, of which they were unaware. The group then formed a tenants association.

The property owner is retaliating against the tenants who fought displacement after a building fire in 1995. Repairs are addressed for new tenants, but not the current ones and the group filed a tenant petition with the Department of Consumer and Regulatory Affairs (DCRA) in June 2006. To date, they have not received a response.

Mr. Arias requests that the City ask the DCRA to expedite a response and take appropriate action against the property owner(s) for housing code



DHCD's Response:

Mr. Jackson was concerned that DCRA had not responded to the group's June 2006 notification of the property owner's failure to notify tenants of his intent to sell. DHCD works with a number of community-based organizations whose function is to provide this education and literacy to the community to ensure they are knowledgeable of their fundamental rights and options in these types of situations. Mr. Arias was instructed to: 1) never wait five or six months for a response. At the minimum, residents should receive acknowledgement that their complaint has been received; and 2) contact DCRA's Office of Tenant Advocacy. Mr. Jackson asked Mr. Arias to leave his contact information and DHCD would follow-up on his complaint.

Mr. Ricardo Vladimir Escobar, District resident, 1490 Tewkesbury Place, NW.

Has been a tenant in the building about 12 years and was unaware that the tenants had rights. The Central American Resource Center (CARECEN) helped the residents to form a tenants' association in order to defend their rights.

The property owner is currently in violation of District laws and does not make needed repairs. Furthermore, the property owner is converting ten (10) units to condominiums without a vote from the tenants. Tenants have received eviction notices related to the conversion. The DCRA is ineffective in helping tenants when property owners want to increase their rents. His property owner continuously gives him "reports" and then he receives a court order—the next date is December 14, 2006; however, the property owner still has not made repairs. Mr. Escobar has threatened to withhold his rent, but if he does not pay, the owner takes him to court.

Mr. Escobar eventually moved from the city, due in part to his inability to get good advice from DCRA staff, who told him: 1) that he had to move; and 2) that DCRA could not help him. He was told that the property owners evicted them, but he does not understand what has happened and DCRA employees cannot or will not explain these processes. The tenant petition process takes too long and Mr. Escobar would like to see a better-trained DCRA and revised or new regulations for abusive property owners.

DHCD's Response:

Several years ago, the District initiated programs to ensure that its various populations are informed of and had access to critical information in their own languages. Based on the testimony heard tonight, for whatever reason, it appears that many District residents are still unaware of their fundamental rights as tenants. It also indicates that the City needs to re-examine its communications strategy to increase awareness and knowledge of tenants' rights. More importantly, we must get identify landlords who are flagrantly violating the law and do what is appropriate from a regulatory standpoint and make sure that does not continue.

Mr. Jackson assured Mr. Escobar that his office will follow-up with him and other tenants about the challenges they are facing in their building.

Mr. Manuel Hidalgo, Executive Director, Latino Economic Development Corporation (LEDC).

During FY 2006, DHCD's performance in working with LEDC has been fantastic and helped the organization to achieve significant milestones, including the award of four major contracts.

With DHCD's assistance, LEDC successfully launched the D.C. Area Local Business Alliance (DCALBA), a small business consortium that is a spin-off of the Mid-14th Street Business Association. This is another major accomplishment that, to date, includes twenty-five (25) businesses. The massive redevelopment occurring in Columbia Heights has some proprietors questioning what the future will hold for them and LEDC needs to continue providing these comprehensive services.

The Home Purchase Assistance Program (HPAP) is essential to LEDC's clients. The Department is commended for increasing its assistance level, which has had a marked impact on the number of LEDC clients that saw the opportunity and possibility of owning a home.

The Interest Rate Buy-Down Program will be essential in terms of closing the gap between what the financial community is willing to lend and what their clients need. Furthermore, providing interest rate buy-down as a grant rather than second or third trust loans offers lenders a low-risk option to serve LEDC's clients.



Mr. Paul Salditt, District resident; member of the Board of Directors of the Metropolitan Police Boys and Girls Club; member, Northwest One (NW1) Council

Concerned that very few residents west of Rock Creek Park are aware of the affordable housing crisis facing the District.

The District is creating a surge of “villages” (communities) and on behalf on the Boys and Girls Clubs, Mr. Salditt hopes that a full service, after school facility will be a part of each village. A village is the people who live in harmony, regardless of economic advantage; it provides for its poor, its workforce, its youth, and its elders.

DHCD's Response:

Mr. Jackson thanked Mr. Salditt for his passion to and commitment on the Northwest One Council and agreed that the District is well on its way to creating many villages that will soon be homes to many.

Ms. Farrah Fosse, Ward 4 resident; Ward 4 representative of the Tenant Advisory Council; and Director, LEDC's Affordable Housing Preservation Program.

LEDC's Affordable Housing Preservation Program is a fully-funded grant, from DHCD, primarily designed to support tenants facing expiring Section 8 federal subsidies. LEDC's target population is low- and moderate-income residents, particularly Latinos, living in areas of the city that are under pressure due to rising housing costs. Among other activities, the grant allows LEDC to educate tenants on their rights as renters in the District or under the Section 8 program, to organize tenant associations, assist tenants in negotiating with their building owners or management companies to improve conditions and keep the building affordable, and helps tenants purchase to their own buildings when placed on the market. Over the last fiscal year, this grant has allowed LEDC to work with approximately one thousand families, primarily, five Section 8 buildings, one building which the tenants are purchasing, and various other buildings at risk of losing affordability. DHCD has proven a real commitment to preserving Section 8 housing and preventing tenant displacement; no tenants were displaced at any of the buildings that LEDC worked with, and all of the buildings continue to be affordable, many of them through long-term renewal of the Section 8 contracts.

Most Section 8 contracts are expiring, and many owners only will renew for a year at a time, leaving residents in a constant state of insecurity. Furthermore, the buildings are getting older, which often means the need for expensive renovations and expensive ongoing maintenance. However, even, with these challenges, preserving these units is crucial. Section 8 buildings provide stable and affordable housing in neighborhoods across a city that is rapidly becoming unaffordable to low- to moderate-income residents who live and work in the District.

Immigrants, particularly those with limited English, are often displaced since they are unaware of their rights as tenants in the District. LEDC needs at least one additional tenant organizer to more effectively serve its clients—it currently has only two organizers, which makes it difficult when they both must attend every meeting to provide translation, or for safety reasons.

Better communication and coordination of services between District government agencies is required. The District has many great tenant forums; however, they only work when tenants know their rights, how to exercise them, and what to do if their rights are being violated.

LEDC needs additional legal support in addition to the handful of lawyers who work with tenant associations *pro bono*. The tenant purchase program is one of the best tools for preserving affordable housing and creating affordable home ownership units. Additionally, tenants organizing at non-Section 8 buildings need equal technical support. The grant focuses on Section 8 and LEDC believes it is crucial to preserve all affordable housing units.

In regards to the grant, LEDC encourages DHCD to increase flexibility to enable them to be more responsive to the community's needs. The grant now requires LEDC to identify the Section 8 buildings in which they worked; however, that requires them to estimate, months in advance, which buildings are going to fail occupancy inspections, or which buildings will opt out. LEDC has discovered that some owners have committed to long-term renewals; however, the building is still on LEDC's grant. To add a building requires a grant agreement that needs approval. The Urban Institute is developing an on-line program that would benefit LEDC in tracking its properties to ensure they are not duplicating services.

DHCD's Response:

The District has struggled for some time to coordinate a relationship with HUD that would permit a feeder mechanism to alert us to which units are failing rehabilitation. Property owners are very creative and develop ways to appeal the inspection or circumvent the process, and then when they are off the radar, flip back into violations,



which becomes a vicious cycle. The biggest challenge is to get the information and to get our fellow partners to work in concert with us. Another challenge is augmenting decreasing federal entitlement funds in order to meet the needs of District residents.

Due to the District's robust economy, no quadrant of the city is exempt from the opportunity for growth. Financial growth often puts us in the cross hairs of our people, so organizations like yours across the city, need to devise a better plan to capture the intelligence so that we can be more proactive and try to eliminate these experiences before they get too far down the pike.

Ms. Judith Ware, President, 1456 O Street Tenant Association.

The property located at 1456 O Street, N.W., is a Section 8 building, which was in jeopardy of its Section 8 contract because the previous owners neglected the building. There were numerous fire code violations, seniors being threatened, open-air drug markets, and all other manner of illegal activities.

LEDC's Affordable Housing Program helped the tenants organize a tenants association and worked with the association, the owner, and other supporters to get the building ready for rehabilitation inspection. The building is under renovation and the owners are planning to sign a long-term (20 years) Section 8 contract. The program provides a critical community service by informing and assisting tenants in understanding their rights and funding for this program should be continued.

DHCD's Response:

The District is a \$51 billion economic entity, which has attracted vast capital investment. Due to the city's robust housing market, the District has found that the "opt out" scenario is used in constructive and creative ways, but some property owners deliberately allow their assets to deteriorate so that HUD can take action to terminate their contract. When that happens, the property owner gets a "get out of jail free" card because he/she is no longer responsible or obligated to improve their assets; it becomes the responsibility of the federal government. This is one of many methods used by property owners to finance their objective—to take advantage of the housing market surge, and the District has attempted to convey this to HUD officials.

The District must continue to be proactive regarding some types of activities to bring to them to the attention of our community service groups and agencies that are responsible for oversight and regulation to keep this activity at bay.

Ms. Natalie LeBeau, Housing Counseling Services, Inc.'s (HCS) Tenant Anti-Displacement Program; board member of the Coalition for Non-Profit Housing and Community Development (CNHCD); and co-chair of the Housing Production Trust Fund (HPTF).

HCS thanked DHCD for funding many of its programs, which has enabled them to provide comprehensive housing counseling and training, outreach and advocacy services to homebuyers, homeowners, and the homeless.

Collectively, HCS worked with more than 5,000 clients last year in DHCD-funded programs alone. The District is one of the most expensive housing markets and the city's low- and moderate-income residents acutely feel this burden as they grapple with increasing housing costs. Almost 70 percent of all renters in the District have low-, very low-, and extremely low-incomes. These renters are at an acute risk of displacement as housing costs rise because there is simply no extra income in these households to spend on rising housing costs. The anti-displacement program works exclusively with low- and moderate-income District renters at risk of displacement due to condominium conversion, building sales, rising rents, building conditions, expiring Section 8 contracts, Section 8 op-out, and other displacement threats resulting from the city's housing boom. Despite the vast protections for tenants in the city, many are unaware of their rights and subsequently, lose the opportunity to live in the city, in an affordable unit.

Through DHCD funding, the program provides technical assistance to lenders, and provides small grants to tenant groups to retain attorneys to assist renters. Last year, 3,531 units of rental housing, in 97 buildings throughout the city were saved to prevent displacement of those renters. However, the program was unable to locate attorneys and developers for the increasing numbers of renters in need of assistance to prevent displacement. If the community does not have sufficient legal aid or other nonprofit legal providers, with the capacity to give free legal assistance to tenant groups, tenants can never effectively fight displacement.

For DHCD dollars to be successful in providing education, outreach, and technical assistance, the program must have partners in the city that can successfully take tenants through the purchase process, negotiate with property owners through a condominium conversion, or properly fight the many ways tenants can be displaced.



Nonprofit developers, with the capacity to work with tenant groups to create true housing opportunities, are also needed. Tenant purchase is a strong tool, but as more of these purchases go through the system, there is an increased need for better coordination between city agencies to share sale information, and an increased need for long-term training for residents post-purchase. We must meet this need or newly formed cooperatives and condominiums risk failure.

Also needed is a rehabilitation program like the Single-Family Rehabilitation program, to make repairs and address code problems since many of these newly formed associations cannot afford to finance a new roof without increasing fees and charges that will ultimately result in displacement for some tenants.

DHCD should continue to work with and learn from community organizations and to be responsive to community needs to ensure the success of shared initiatives.

Increased HPAP assistance has resulted in increased applications and Ms. LeBeau hopes that funding and staff will be available to meet this need. They also expect to see mortgage defaults and delinquency rates increase as homebuyers who received "creative mortgage plans" are now facing higher housing costs due to increased mortgage payments, and they are going to need counseling to prevent delinquency and default to predatory lenders.

Finally, the District needs to continue to build the capacity of D.C. residents to know their rights and to make informed housing choices and expand the community's capacity to meet the needs of these newly empowered residents.

DHCD's Response

The District is aware of the substantial surge in the foreclosure rate from using these "creative financing" instruments. It serves no purpose for the District to assist someone in acquiring a home and lose it to predatory lenders. Based on the current indices, all economic indicators look as though we are going in the opposite direction in terms of home value and economic stability. The Department's challenge is to ensure that we use all available tools and resources to help stabilize these kinds of experiences. The agency is also working on a new product that can be blended as a lien investment with HPAP so that we can get more money that can be sustainable to give to ownership. DHCD recognizes and understands the correlation between the city's thirty-seven percent illiteracy rate, along with the unemployment and wealth creation challenges; they are relational issues that create tremendous imbalance. For such an undertaking, tremendous dollars are needed to begin interdicting these kinds of issues earlier to create communities that are vibrant and adds to everyone's quality of life.

As the District moves into fiscal year 2008, it will be struggling with reduced funding, not only from its entitlement grants, but locally as well. Therefore, the ability to direct these funds to areas most in need becomes a challenge in itself given the numerous programs and projects that benefit so many. The Department is confident that in working with its partners and other stakeholders, the most vulnerable residents of the District will be served effectively and efficiently.

Ms. Patsy Edwards, District resident; client at RAP, Inc.

Ms. Edwards is concerned about clients that complete drug treatment programs and return to their communities, which usually are in high drug trafficking areas. It would be helpful to have communities that are safe, have good schools, and less access to drugs to reinforce the recovering substance abusers' commitment to living a clean and healthy life style.

She also supports the Housing Choice Voucher Program because it allows clients to move to other areas, unlike project-based vouchers. She also wanted to know if any programs are available to assist tenants that desire to move up to ownership.

DHCD's Response:

This challenge—support services for recovering substance abusers to help them, and their families to continue to lead productive lives—was raised at several of the public hearings. The Department would certainly consider assisting viable proposals or initiatives to address this need and encourages developers consider these types of projects for funding during DHCD's Request for Proposals (RFP) process.

Regarding home ownership opportunities, several families have used the District's housing programs to become homeowners. The D.C. Housing Authority also has a program that helps its tenants move into ownership. DHCD's programs provide financial assistance to eligible, low-to-moderate income, first-time homebuyers. Application intake is provided through several community-based organizations funded by DHCD.



Ms. Thomasina Foster, District resident; client of RAP, Inc.

There is a lack of adequate space, beds and funding to address the transitional housing needs of women struggling with homelessness, substance abuse, and mental health issues. Crime by women is increasing and the rate of recidivism is extreme. Without stability, these women are unable to provide the necessary nurturing to their children, which ultimately affects neighborhoods and communities.

There are approximately four (4) transitional homes in the District for women. Many are privately funded and are unable to meet the transitional housing needs of these women when they complete drug programs. Addressing this issue would benefit these women by providing new behavior and coping skills, helping to address their physical and mental health issues; and providing assistance with developing job skills and finding employment. They would also have access to additional educational skills and learn money management to help them move toward self-sufficiency and becoming productive members of society.

DHCD's Response:

This is a very serious concern and one way or the other, either through incarceration or through additional funding for treatment, the District will bear the financial burden. Helping these women to become productive District residents is a better use of funding, so yes, the city must be proactive, as well as reactive, in dealing with the root causes that lead to negative choices.

We are not prepared to assimilate family members' return to the community from incarceration or substance abuse programs because the challenges that led to that lifestyle are still present; lack of housing, easy access to drugs, crime, lack of sustainable employment, a safe environment, etc. The District has many programs available and certainly, new viewpoints and/or strategies are always welcome to ensure that these programs and initiatives are effective. Again, this type of initiative could be submitted for consideration during DHCD's funding cycle. We must remember that one source of funding is never enough—additional resources need be identified and sought after to ensure adequate dollars will be in place to fund the necessary support services.

Ms. Sherlie Johnson, Vice-President of Temple Courts Tenant Association; board member of the Northwest One Council.

Thanked DHCD, DCRA, and other District government agencies that worked so hard with the tenants association and the Northwest One Council on the *New Communities Initiative* to provide the opportunity for 211 residents to keep their homes. Temple Courts was at risk of losing its Section 8 contract due to the owner's failure to maintain the property. To date, the District government has worked closely with HUD, DCRA, tenants' associations, and the Northwest One Council, to improve their living conditions and quality of life.

Homelessness must be addressed to improve the District's vision for the future. A state-of-the-art facility, in each Ward would go a long way to help alleviate the problem. Transitional housing is also needed for ex-offenders who are also trying to reclaim their lives and returning to their old neighborhoods is not always the best solution.

DHCD's Response:

The Department is and will continue to work closely with each New Community project to ensure that the residents are involved in the planning and implementation of their "new" community. The District's "Homeless No More" initiative hopes to eliminate homelessness in the District within the next ten years. This initiative will require coordination of social service organizations and local and federal government agencies to implement the strategies developed to ensure success.

Based on the testimonies from all of the public hearings, the needs of District residents are great and with dwindling federal funds, we must be diligent in our use of those resources to ensure that those dollars reach and benefit as many residents as possible. New and innovative strategies must be developed and implemented to help address the housing and support service needs of District residents. Organizations and developers will also be challenged to seek out other resources to help fund their programs and projects; the District is not be able to fund every project that is submitted and this is where a network of funding resources is needed to help address these needs.